

Assembly Bill No. 1104

CHAPTER 92

An act to amend Section 13385 of, and to add Sections 13263.3, 13263.6, and 13362 to, the Water Code, relating to water.

[Approved by Governor July 12, 1999. Filed with
Secretary of State July 12, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1104, Migden. Water quality: waste discharge requirements and penalties.

(1) Under existing law, the State Water Resources Control Board and the California regional water quality control boards are among the principal agencies with primary regulatory authority over water quality.

This bill, under specified circumstances, would authorize the state board, a regional board, or a publicly owned treatment works (POTW) to require a discharge or industrial discharger, as defined, subject to its jurisdiction to complete a prescribed pollution prevention plan. The bill would authorize a regional board to require a POTW to complete a pollution prevention plan with specified components, thereby imposing a state-mandated local program. The bill would require the state board or regional board to solicit comments from the public on a pollution prevention plan prepared pursuant to these provisions and to address the public comments when determining what schedule of actions to establish. The bill would authorize a POTW to require pollution prevention plans as part of the pretreatment requirements applicable to significant industrial users. The bill would require the state board or a regional board to prescribe effluent limitations as part of the waste discharge requirements of a POTW for specified substances.

(2) Existing law subjects any person who violates prescribed provisions of the Clean Water Act or the Porter-Cologne Water Quality Control Act to civil liability, as prescribed.

This bill would require liability to be assessed in connection with a violation of those provisions at a level that recovers the economic benefits, if any, derived from the acts that constitute the violation. The bill would require a mandatory minimum penalty of \$3,000 to be assessed under prescribed circumstances. The bill would provide that negligence on the part of the state or the United States is not a defense to liability for any discharge caused by the discharger's own negligence. The bill would require the State Water Resources Control Board to report annually to the Legislature regarding its enforcement activities, as specified.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

The people of the State of California do enact as follows:

SECTION 1. It is the intent of the Legislature that the State Water Resources Control Board review and resolve identified problems with permitting, enforcement, and water quality monitoring activities undertaken by the state board and the regional water quality control boards for the purposes of protecting the public health and improving the quality of the environment. In particular, it is the intent of the Legislature that the state board and the regional boards carry out the Clean Water Act (33 U.S.C. 1251 et seq.) and the Porter-Cologne Water Quality Control Act (Div. 13 (commencing with Sec. 13000), Wat. C.) by ensuring compliance with permit requirements and taking enforcement action in a timely manner when violations are found.

SEC. 2. The Legislature finds and declares all of the following:

(a) The State Water Resources Control Board and the regional water quality control boards have identified numerous water bodies throughout the state that are not meeting water quality standards.

(b) The sources of water quality impairments in California are diverse and include nonpoint sources such as agricultural, forestry, and urban dry weather and stormwater runoff, residential onsite sewage disposal systems, and boats and marinas, and point sources such as industrial discharges and municipal publicly owned treatment works (POTWs).

(c) The state board and the regional boards prescribe waste discharge requirements to regulate discharges by point sources.

(d) Recent investigations indicate that current enforcement efforts of the state board and the regional boards may not be achieving full compliance with waste discharge requirements in a timely manner, and that swift and timely enforcement of waste discharge requirements will assist in bringing the state's waters into compliance and will ensure that violators do not realize economic benefits from noncompliance.



(e) To attain water quality standards in the state's waters, additional efforts are also needed to control threats to the health of the state's waters that are posed by nonpoint sources of pollution.

SEC. 3. Section 13263.3 is added to the Water Code, to read:

13263.3. (a) The Legislature finds and declares that pollution prevention should be the first step in a hierarchy for reducing pollution and managing wastes, and to achieve environmental stewardship for society. The Legislature also finds and declares that pollution prevention is necessary to achieve the federal goal of zero discharge of pollutants into navigable waters.

(b) (1) For the purposes of this section, "pollution prevention" means any action that causes a net reduction in the use or generation of a hazardous substance or other pollutant that is discharged into water and includes any of the following:

(A) "Input change," which means a change in raw materials or feedstocks used in a production process or operation so as to reduce, avoid, or eliminate the generation of pollutants discharged in wastewater.

(B) "Operational improvement," which means improved site management so as to reduce, avoid, or eliminate the generation of pollutants discharged in wastewater.

(C) "Production process change," which means a change in a process, method, or technique that is used to produce a product or a desired result, including the return of materials or their components for reuse within the existing processes or operations, so as to reduce, avoid, or eliminate the generation of pollutants discharged in wastewater.

(D) "Product reformulation," which means changes in design, composition, or specifications of end products, including product substitution, so as to reduce, avoid, or eliminate the generation of problem pollutants discharged in wastewater.

(2) For the purposes of this section, "pollution prevention" does not include actions that merely shift a pollutant in wastewater from one environmental medium to another environmental medium, unless clear environmental benefits of such an approach are demonstrated.

(c) (1) For the purposes of this section, "discharger" means any entity required to obtain a national pollutant discharge elimination system (NPDES) permit pursuant to the Clean Water Act (33 U.S.C. Sec. 1251 et seq.), or any entity subject to the pretreatment program as defined in Part 403 (commencing with Section 403.1) of subchapter N of Chapter 1 of Part 403 of Title 40 of the Code of Federal Regulations.

(2) For the purposes of this section, "industrial discharger" means any discharger other than a publicly owned treatment works (POTW).

(d) (1) The state board, a regional board, or a POTW may require a discharger subject to its jurisdiction to complete a pollution prevention plan if any of the following apply:

(A) A discharger is determined to be a chronic violator and the board or the POTW determines that pollution prevention could achieve compliance.

(B) The discharger contributes, or has the potential to contribute, to the formation of a toxic hot spot as defined in Section 13391.5.

(C) The discharger discharges a pollutant for which the permitted level is lower than the practical quantification limit and the state board, a regional board, or the POTW determines that additional reductions of the pollutant are necessary.

(D) The board determines pollution prevention is necessary to achieve a water quality objective.

(2) The state board, a regional board, or a POTW may require an industrial discharger subject to its jurisdiction to complete a pollution prevention plan that includes all of the following:

(A) An analysis of the pollutants that the facility discharges into water or introduces into POTWs, a description of the sources of the pollutants, and a comprehensive review of the processes used by the discharger that result in the generation and discharge of the pollutants.

(B) An analysis of the potential for pollution prevention to reduce the generation of the pollutants, including the application of innovative and alternative technologies and any adverse environmental impacts resulting from the use of those methods.

(C) A detailed description of the tasks and time schedules required to investigate and implement various elements of pollution prevention techniques.

(D) A statement of the discharger's pollution prevention goals and strategies, including priorities for short-term and long-term action.

(E) A description of the discharger's intended pollution prevention activities for the immediate future.

(F) A description of the discharger's existing pollution prevention methods.

(G) A statement that the discharger's existing and planned pollution prevention strategies do not constitute cross-media pollution transfers, and information that supports that statement.

(H) Toxic chemical release data for those dischargers subject to Section 313 of the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. Sec. 11023).

(I) Proof of compliance with the Hazardous Waste Source Reduction and Management Review Act of 1989 (Article 11.9 (commencing with Section 25244.12) of Chapter 6.5 of Division 20 of the Health and Safety Code) if the discharger is also subject to that act.



(J) An analysis of the relative costs and benefits of the possible pollution prevention activities.

(3) A regional board may require a POTW to complete a pollution prevention plan that includes all of the following:

(A) An estimate of all of the sources of a pollutant contributing, or potentially contributing, to the loadings of a pollutants in the treatment plant influent.

(B) An analysis of the methods that could be used to prevent the discharge of the pollutants into the POTW, including application of local limits to industrial or commercial dischargers regarding pollution prevention techniques, public education and outreach, or other innovative and alternative approaches to reduce discharges of the pollutant to the POTW. The analysis also shall identify sources, or potential sources, not within the ability or authority of the POTW to control, such as pollutants in the potable water supply, airborne pollutants, pharmaceuticals, or pesticides, and estimate the magnitude of those sources, to the extent feasible.

(C) An estimate of load reductions that may be attained through the methods identified in subparagraph (B).

(D) A plan for monitoring the results of the pollution prevention program.

(E) A description of the tasks, cost, and time required to investigate and implement various elements in the pollution prevention plan.

(F) A statement of the POTW's pollution prevention goals and strategies, including priorities for short-term and long-term action, and a description of the POTW's intended pollution prevention activities for the immediate future.

(G) A description of the POTW's existing pollution prevention programs.

(H) An analysis, to the extent feasible, of any adverse environmental impacts, including cross-media impacts or substitute chemicals, that may result from the implementation of the pollution prevention program.

(I) An analysis, to the extent feasible, of the costs and benefits that may be incurred to implement the pollution prevention program.

(e) The state board or the regional board may establish a schedule of actions identified in the pollution prevention plans for the discharger.

(f) The state board or regional board shall solicit comments from the public on a pollution prevention plan prepared pursuant to this section and address the public comments when determining what schedule of actions, if any, to establish for the discharger pursuant to this section.

(g) The state board and regional boards shall make the pollution prevention plans available for public review, except to the extent that information is classified as confidential because it is a trade



secret. Trade secret information shall be set forth in an appendix that is not available to the public.

(h) Any costs incurred by the state board or a regional board resulting from actions required by this section shall be paid for from revenue generated by the fees imposed by Section 13260.

(i) The state board or regional board may assess civil penalties pursuant to Section 13385 against a discharger for failure to complete a pollution prevention plan ordered by the state board or a regional board, or for failure to comply with a schedule of actions ordered by the state board or a regional board pursuant to this section.

(j) A POTW may assess civil penalties and civil administrative penalties pursuant to Sections 54740, 54740.5, and 54740.6 of the Government Code against an industrial discharger for failure to complete a pollution prevention plan when ordered by the POTW, for submitting a plan that does not comply with the act, or for failure to comply with a schedule of actions ordered by the POTW pursuant to this section, unless the regional board has assessed penalties for the same action.

(k) A discharger may change its pollution prevention plan, including withdrawing from a pollution prevention measure approved by the state board, a regional board, or a POTW, if the discharger determines that the measure will have a negative impact on product quality, the safe operation of the facility, or the environmental aspects of the facilities operation, and the discharger demonstrates to the board or the POTW an alternative measure that achieves that same pollution prevention objective.

(l) The state board shall adopt a format to be used by dischargers for completing the plan required by this section. The format shall address all of the factors the discharger is required to include in the plan. The board may include any other factors determined by the board to be necessary to carry out this section. The adoption of the format pursuant to this section is not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 4. Section 13263.6 is added to the Water Code, to read:

13263.6. (a) A publicly owned treatment works (POTW) may require pollution prevention plans as described in Section 13263.3 as part of the pretreatment requirements applicable to significant industrial users.

(b) The state board or a regional board shall prescribe effluent limitations as part of the waste discharge requirements of a POTW for all substances that the most recent toxic chemical release data reported to the state emergency response commission pursuant to Section 313 of the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. Sec. 11023) indicate are discharged into the POTW and that the state board or a regional board has determined has the reasonable potential to impair water quality.



SEC. 5. Section 13362 is added to the Water Code, to read:

13362. A publicly owned treatment works (POTW) with an approved pretreatment program may conduct inspections in accordance with the provisions of Sections 403.8(f)(1)(v) and 403.8(f)(2)(v) of Title 40 of the Code of Federal Regulations and assess and collect civil penalties and civil administrative penalties in accordance with Sections 54740, 54740.5, and 54740.6 of the Government Code, with regard to all dischargers of industrial waste to the POTW.

SEC. 6. Section 13385 of the Water Code is amended to read:

13385. (a) Any person who violates any of the following shall be liable civilly in accordance with this section:

(1) Section 13375 or 13376.

(2) Any waste discharge requirements or dredged and fill material permit.

(3) Any requirements established pursuant to Section 13383.

(4) Any order or prohibition issued pursuant to Section 13243 or Article 1 (commencing with Section 13300) of Chapter 5, if the activity subject to the order or prohibition is subject to regulation under this chapter.

(5) Any requirements of Section 301, 302, 306, 307, 308, 318, or 405 of the Federal Water Pollution Control Act, as amended.

(6) Any requirement imposed in a pretreatment program approved pursuant to waste discharge requirements issued under Section 13377 or approved pursuant to a permit issued by the administrator.

(b) Civil liability may be imposed by the superior court in an amount not to exceed the sum of both of the following:

(1) Twenty-five thousand dollars (\$25,000) for each day in which the violation occurs.

(2) Where there is a discharge, any portion of which is not susceptible to cleanup or is not cleaned up, and the volume discharged but not cleaned up exceeds 1,000 gallons, an additional liability not to exceed twenty-five dollars (\$25) multiplied by the number of gallons by which the volume discharged but not cleaned up exceeds 1,000 gallons.

The Attorney General, upon request of a regional board or the state board, shall petition the superior court to impose the liability.

(c) Civil liability may be imposed administratively by the state board or a regional board pursuant to Article 2.5 (commencing with Section 13323) of Chapter 5 in an amount not to exceed the sum of both of the following:

(1) Ten thousand dollars (\$10,000) for each day in which the violation occurs.

(2) Where there is a discharge, any portion of which is not susceptible to cleanup or is not cleaned up, and the volume discharged but not cleaned up exceeds 1,000 gallons, an additional

liability not to exceed ten dollars (\$10) multiplied by the number of gallons by which the volume discharged but not cleaned up exceeds 1,000 gallons.

(d) For purposes of subdivisions (b) and (c), the term “discharge” includes any discharge to navigable waters of the United States, any introduction of pollutants into a publicly owned treatment works, or any use or disposal of sewage sludge.

(e) In determining the amount of any liability imposed under this section, the regional board, the state board, or the superior court, as the case may be, shall take into account the nature, circumstances, extent, and gravity of the violation, and, with respect to the violator, the ability to pay, any prior history of violations, the degree of culpability, economic benefit or savings, if any, resulting from the violation, and other matters that justice may require. At a minimum, liability shall be assessed at a level that recovers the economic benefits, if any, derived from the acts that constitute the violation.

(f) For purposes of this section, a single operational upset that leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.

(g) Remedies under this section are in addition to, and do not supersede or limit, any other remedies, civil or criminal except that no liability shall be recoverable under Section 13261, 13265, 13268, or 13350 for violations for which liability is recovered under this section.

(h) (1) Notwithstanding any other provision of this division, a mandatory minimum penalty of three thousand dollars (\$3,000) shall be assessed for the first serious violation in any 180-day period, except that in lieu of assessing that penalty the state board or the regional board may elect to require the discharger to spend an amount equal to the penalty to mitigate the subject waste discharge, or to develop a pollution prevention plan.

(2) For the purpose of this section, a serious violation means any waste discharge that exceeds the effluent limitations for a Group II pollutant, as specified in Appendix A to Section 123.45 of Title 40 of the Code of Federal Regulations, by 20 percent or more or for a Group I pollutant, as specified in Appendix A to Section 123.45 of Title 40 of the Code of Federal Regulations, by 40 percent or more.

(i) Notwithstanding any other provision of this division, a minimum mandatory penalty of three thousand dollars (\$3,000) shall be assessed for each violation if either of the following applies:

(1) The person commits two or more serious violations in any 180-day period.

(2) The person does any of the following four or more times in any 180-day period:

(A) Exceeds a waste discharge requirement effluent limitation.

(B) Fails to file a report pursuant to Section 13260.

(C) Files an incomplete report pursuant to Section 13260.

(j) Mandatory penalties shall not be assessed under this section if the violations are caused by one or any combination of the following:

(1) An act of war.

(2) An unanticipated, grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight.

(3) An intentional act of a third party, the effects of which could not have been prevented or avoided by the exercise of due care or foresight.

(k) The Attorney General, upon request of a regional board or the state board, shall petition the appropriate court to collect any penalty imposed pursuant to this section. Any person who fails to pay on a timely basis any penalty imposed under this section shall be required to pay, in addition to that penalty, interest, attorneys' fees, costs for collection proceedings, and a quarterly nonpayment penalty for each quarter during which the failure to pay persists. The nonpayment penalty shall be in an amount equal to 20 percent of the aggregate amount of the person's penalty and nonpayment penalties that are unpaid as of the beginning of the quarter.

(l) Funds collected pursuant to this subdivision shall be deposited in the State Water Pollution Cleanup and Abatement Account.

(m) (1) Notwithstanding Section 7550.5 of the Government Code, the state board shall report annually to the Legislature regarding its enforcement activities. The reports shall include all of the following:

(A) A compilation of the number of violations of waste discharge requirements in the previous year.

(B) A record of the enforcement actions taken for each violation.

(C) An analysis of the effectiveness of current enforcement policies.

(D) Recommendations, if any, necessary for improvements to the enforcement program in the following year.

(2) The report shall be submitted to the Chairperson of the Assembly Committee on Environmental Safety and Toxic Materials and the Chairperson of the Senate Committee on Environmental Quality on or before March 1 of each year.

(n) Negligence on the part of the state, the United States, or any department or agency thereof, shall not be a defense to liability imposed pursuant to this section for any discharge caused by the discharger's own negligence.

SEC. 7. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for

reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

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